

D.C. LAW 3-92

DISTRICT OF COLUMBIA REVENUE ACT OF 1980
IN THE COUNCIL OF THE DISTRICT OF COLUMBIA
SEPTEMBER 13, 1980

To enhance the revenues of the District of Columbia, and other purposes.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA,

That this act may be cited as the "District of Columbia Revenue Act of 1980".

TITLE I - REAL ESTATE DEED RECORDATION TAX

Sec. 101. The District of Columbia Real Estate Deed Recordation Tax Act, approved March 2, 1962 (76 Stat. 11; D.C. Code, sec. 45-721 et. seq.) is amended as follows:

(a) Section 301 (D.C. Code, sec. 45-721) is amended as follows:

(1) subsection (e) (D.C. Code, sec. 45-721 (e)) is amended by deleting immediately following the word "liens" the word "or", and by adding at the end of the subsection the phrase "construction loan deeds of trust or mortgages,, or permanent loan deeds of trust or mortgage"; and

(2) by adding the following new subsection at the end thereof to read as follows:

(i) The word "construction loan deed of trust or mortgage upon real estate, which states therein that it is given to secure a loan for new real estate construction, and the terms of which provide that the principal sum owing under the instrument giving rise to the deed of trust or mortgage shall become due and payable on demand three years or less from the date of such instrument.

(ii) The word "permanent loan deed of trust or mortgage or mortgage" mean a deed of trust or mortgage upon real estate, the terms of which provide that the principal sum owing under the instrument the instrument giving rise to the deed of trust or mortgage shall become due and payable more than three years or less from the date of such instrument, and such deed of trust or mortgage secures an instrument made by the same persons who made the instrument which the construction loan deed of trust or mortgage secured, and substantially the same real estate is conveyed thereby. A construction loan deed of trust or mortgage, the terms of which provide that the principal sum owing under the instrument is payable more than three years from the date of such instrument, for purposes of this tax, is a permanent loan deed of trust except that where such a construction loan deed of trust or mortgage is subsequently succeeded by a permanent loan deed of trust or mortgage made by the same persons on substantially the same real estate, the exception in section 302(10) of this Act shall apply.;

(b) Section 302 (D.C. Code, sec. 45-722) is amended as follows:

(1) subsection (5.) (D.C. Code, sec. 45-722 (5.)) is amended by adding at the end thereof the phrase "other than construction loan deeds of trust or mortgages as defined in this Act.;

(2) by adding the followings new subsection at the end thereof to read as follows:

"10. Where a permanent loan deed of trust or mortgage is recorded within three years of the date of recordation of a construction loan deed of trust or mortgage and substantially the same real estate is conveyed thereby and the tax on the construction loan deed of trust or mortgage has been timely and properly paid, no additional tax liability arises under this section, except where the taxpayer's liability on the permanent loan deed of trust or mortgage exceeds his liability on the construction loan deed of trust or mortgage in which case the tax shall be calculated only on the amount by which the permanent loan deed of trust or mortgage exceeds the construction loan deed of trust or mortgage: PROVIDED, however, That such permanent loan deed of trust or mortgage shall contain a reference to the construction loan deed of trust or mortgage and the book and page where it is recorded.;

(c) Section 303(a) (D.C. Code, sec. 45-723(a)) is amended to read as follows:

"(a) There is hereby imposed on each deed, construction loan deed of trust or mortgage, at the time of submission to the Mayor for recordation, a tax at the rate of 1 per centum of the consideration for such deed, deed of trust or mortgage: PROVIDED, Further, That in any case where application of the rate of tax to the consideration for a deed or deed of trust or mortgage results in a total tax of less than \$1 the tax shall be \$1.; and

(d) Section 304 (D.C. Code, sec. 45-724) is amended by adding the following provisions at the end thereof to read as follows:

"On deeds of trust or mortgage, the amount of consideration for the purpose of the tax imposed by this title shall be an amount equal to the principal amount of indebtedness. In any case in which the amount which may be secured under a deed of trust or mortgage is not ascertainable, the tax shall be based upon the fair market value of the property conveyed, determined as of the date of the deed of trust or mortgage, but including the value of any realty required by the terms of the deed of trust or mortgage to be constructed thereon.

Sec. 102. The first sentence in section 301 (a) of Title III of the Residential Real Property Transfer Excise Tax Act of 1978, effective July 13, 1978 (D.C. Law 2-91; D.C. Code, sec. 47-3313) is amended to read as follows:

(a) Within thirty (30) days after the execution of a deed or other document by which legal title to a real property is transferred, or after a security interest in a real property is given pursuant to a construction loan deed of trust or mortgage or a permanent loan deed of trust or mortgage, all transferees, of said legal title and all holders of such secured interests shall record a fully acknowledged copy of said deed or other document, or said construction loan deed of trust or mortgage or permanent loan deed of trust or mortgage, including the lot and square number of the real property transferred or encumbered, with the Recorder of Deeds of the District of Columbia.

TITLE II - SALE AND USE TAXES

Sec. 201. The District of Columbia Sale Tax Act, approved May 27, 1949 (63 Stat. 112; D.C. Code, sec. 47-2601 et seq.) is amended as follows:

(a) Section 114(b)(5) (D.C. Code, sec. 47-2601 (14)(b)(5)) is amended by deleting the period at the end thereof and adding the following new phrase:

"and except for sale of candy, confectionery, chewing gum and soft drinks which are taxable wherever sold."

(b) Section 125 (D.C. Code, sec. 47-2602) is amended to read as follows:

"A tax is imposed upon all vendors for the privilege of selling at retail certain tangible personal property and for the privilege of selling certain selected services (defined as "retail sale" and "sale at retail" in this title). The rate of such tax shall be 6 per centum of the gross receipts from sales of or charges for such tangible personal property and services, except that --

(1) the rate of tax shall be 12 per centum of the gross receipts from the sale of or charge for the service of parking or storing of motor vehicles or trailers, except the service of parking or storing of motor vehicles or trailers on a parking lot owned or operated by the Washington Metropolitan Area Transit Authority and located adjacent to a Washington Metropolitan Area Transit Authority passenger stop or station;

(2) the rate of tax shall be 10 per centum of the gross receipts from the sale of or charges for any room or rooms, lodging, or accommodations furnished to a transient by any hotel, inn, tourist camp, tourist cabin, or any other place in which rooms, lodgings, or accommodations are regularly furnished to transients;

(3) the rate of tax shall be 8 per centum of the gross receipts from the sale of or charges for --

(A) food or drink served, prepared for immediate consumption, or sold as described in section 114(a)(1) of this title;

(B) spirituous or malt liquors, beers and wine sold for consumption on the premises where sold; and

(C) rental or leasing of rental vehicles and utility trailers as defined in section 2 of the Rental Vehicle Tax Reform Act of 1978, effective March 6, 1979 (D.C. Law 2-157; D.C. Code, sec. 40-111);

(4) the rate of tax shall be 2 per centum of the gross receipts from the sale of food or drink as described in subsection (a)(1) of section 114 of this title when sold from a vending machine.

(c) Section 128(e) (D.C. Code, sec. 47-2605(e)) is repealed.

(d) Section 141(b) (D.C. Code, sec. 47-2618(b)) is amended by striking the phrase of 4 per centum and inserting the phrase "provided for in subsection (c) of section 14 of Title IX of the District of Columbia Revenue Act of 1937, approved July 10, 1952 (66 Stat. 546; D.C. Code, sec. 47-2413(c)) in lieu thereof.

(e) Section 144(a) (D.C. Code, sec. 47-2621 (a)) is amended to read as follows:

(a) (1) to extend for cause shown the time of filing any return for a period not exceeding thirty days: Provided, however, That the provisions regarding interest imposed per month or fraction thereof contained in subsection (a) of section 147 of this title (D.C. Code, sec. 47-2624 (a)) shall apply to any tax paid under an extension of time granted;

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(2) for cause shown, to remit penalties and interest in whole or in part except as otherwise provided in this title; and

(3) to compromise disputed claims in connection with the tax hereby imposed.

(f) Section 147(a) (D.C. Code, sec. 47-2624 (a)) is amended by striking the phrase "1 per centum" and inserting the phrase "1 1/2 per centum" in lieu thereof.

Sec. 202. Section 212 of the District of Columbia Use Tax Act, approved May 27, 1949 (63 Stat. 126, D.C. Code, sec. 47-2702) is amended to read as follows:

There is hereby imposed and thers shall be paid by every vendor engaging in business in the District and by every purchaser a tax on the use, storage, or consumption of any tangible personal property and service sold or purchased at retail sale. The rate of tax imposed by this section shall be 6 per centum of the sales price of such tangible personal property and services, except that --

(1) the rate of tax shall be 12 per centum of the gross receipt from the sale of or charges for the service of parking or storing of motor vehicles or trailers except the service of parking or storing of motor vehicles or trailers on a parking lot owned or operated by the Washington Metropolitan Area Transit Authority and located adjacent to a Washington Metropolitan Area Transit Authority passenger stop or station;

(2) the rate of tax shall be 10 per centum of the gross receipts from the sale of or charges for any room or rooms, lodging, or accomodations furnished to a transient by any hotel, inn, tourist camp, tourist cabin, or any other place in which rooms, lodging, or accommodations are regularly furnished to transients;

(3) the rate of tax shall be 8 per centum of the gross receipts from the sale of or charges for --

(A) food or drink served, prepared for immediate consumption or sold as described in subsection (a)(a) of section 114 of title I;

(B) spirituous or malt liquors, beer and wine sold for consumption on the premises where sold; and

(C) rental or leasing of rental vehicles and utility trailers as defined in section 2 of the Rental Vehicle Tax Reform Act of 1978, effective March 6, 1979 (D.C. Law 2-157; D.C. Code, sec. 40-111);

(4) the rate of tax shall be 2 per centum of the gross receipts from the sale of food or drink as described in subsection (a)(1) of section 114 of title I when sold from a vending machine.

Sec. 203. The provisions of this title regarding the assessment of interest charges for the late filing of returns, late payment of tax, and extensions of time for filing returns, shall apply only with respect to late returns filed, late payment made, extensions of time granted, and determinations of tax due made (by court action or administratively) after August 1, 1980.

TITLE III - PERSONAL PROPERTY TAX AMENDMENTS ACT

Sec. 301. Section 1 of An Act Making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such

District for the fiscal year ending June 30, 1923, and for other purposes, approved June 29, 1922 (42 Stat. 668; D.C. Code, sec. 47-501) is amended as follows:

(a) by inserting immediately following the word "fix" a comma (,);

(b) by inserting immediately following the word "annually" the phrase "for real property, and at such times as it may deem necessary for personal property,; and

(c) by inserting immediately following the phrase "for which the rate is fixed" the phrase": Provided, That the rate of taxation on personal property levied for any tax year shall apply to succeeding tax years unless the Council acts to ascertain, determined and fix a different rate of taxation thereon in accordance with the provisions of this section".

Sec. 302. The rate of taxation on taxable personal property in the District of Columbia for the tax year beginning July 1, 1980, and ending June 30, 1981, and for each tax year thereafter, is determined and fixed at three dollars and ten cents (\$3.10) per each one hundred dollars (\$100.00) of assessed value of such property.

TITLE IV - TRANSFER TAX ON REAL PROPERTY

Sec. 401. Definitions.

When used in this title, unless otherwise required by the context.

(1) The word "District" means the geographic boundaries of the District of Columbia.

(2) The word "Mayor" means the Mayor of the District of Columbia, or his or her duly authorized agents or representatives.

(3) The word "deed" means any document, instrument, or writing (other than a will or a lease), regardless of where made, executed, or delivered whereby any real property in the District, or any interest therein, is conveyed, vested, granted, bargained, sold, transferred, or assigned.

(4) The words "real property" mean every estate or right, legal or equitable, present or future, vested or contingent in lands, tenements, or hereditaments located in whole or in part within the District.

(5) The word "consideration", except as otherwise provided in section 404, means the price or amount actually paid, or required to be paid for real property including any mortgages, liens, encumbrances thereon, construction loan deeds of trust or mortgages, or permanent loan deeds of trust or mortgages.

(6) The word "person" means an individual, partnership, society, association, joint stock company, corporation, estate, receiver, trustee, assignee, any individual acting in a fiduciary or representative capacity, whether appointed by a court or otherwise, any combination of individuals, and any other form of unincorporated enterprise owned or conducted by two (2) or more persons.

(7) The word "deficiency" means the amount or amounts by which the tax imposed by this title as determined by the Mayor exceeds the amount shown as the tax upon the return of the person or persons liable for the payment thereof.

(8) The word "taxpayer" means any person required by this title to pay a tax, or file a return.

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(9) The word "transfer" means the process whereby any real property in the District, or any interest therein is conveyed, vested, granted, bargained, sold transferred, or assigned from one (1) person to another.

(10) The word "transferor" means the person who conveys, vests, grants, bargains, sells, transfers, or assigns any real property or any interest therein in the District, or causes the same through his or her authorized agent.

(11) The word "transferee" means the person to whom any real property in the District, or any interest therein, is conveyed, vested, granted, bargained, sold, transferred, or assigned.

Sec. 402. Exemptions; enumeration of transfers exempt from tax.

The following transfers shall be exempt from the tax imposed by this title:

- (a) Transfer completed prior to the effective date of the enactment of this title.
- (b) Transfers of property by the United States of America or the District of Columbia governments.
- (c) Transfers of property by an institution, organization, corporation, association, or government (other than the United States of America or the District of Columbia) entitled to exemption from real property taxation under An Act to define the real property exempt from taxation in the District of Columbia, approved December 24, 1942 (56 Stat. 1089; D.C. Code, sec. 47-801a), which property was acquired solely for a purpose or purposes which would entitle such property to exemption under such act: PROVIDE, That a return, under oath, showing the purpose of purposes for which such property was acquired, shall accompany the deed at the time of its offer for recordation.
- (d) Transfers of property by an institution, organization, corporation, or association entitled to exemption from real property taxation by special act of the Congress, which property was acquired solely for a purpose or purposes for which such special exemption was granted: PROVIDED, That a return, under oath, showing the purpose or purposes for which such property was acquired, shall accompany the deed at the time of its offer for recordation.
- (e) Transfer between husband and wife, or parent and child, without actual consideration therefor.
- (f) Transfers evidenced by deeds of release of property which is security for a debt or other obligation.

Sec. 403. Imposition of tax; rate; returns; liability for tax.

- (a) There is imposed on each transferor for each transfer at the time the deed is submitted to the Mayor for recordation a tax at the rate of one percent (1%) of the consideration for such transfer: PROVIDED, That in any case where applicant of the rate of tax to the consideration for the transfer results in a total tax of less than one dollar (\$1) the tax shall be one dollar (\$1).
- (b) Each such deed shall be accompanied by a return, under oath, in such form as the Mayor may prescribe, executed by all the parties to the deed, setting forth the consideration for the deed, the amount of tax payable, and such other information as the Mayor may require.

(c) The transferor in a transfer shall have responsibility for payment of the taxes imposed by this section: PROVIDED, HOWEVER, That if the transferor should fail to make payment the transferee shall be jointly and severally liable with the transferor for payment of said taxes. Neither the United States nor the District of Columbia governments shall be subject to liability for the tax imposed under this section.

(d) The Mayor is authorized to prescribe, by regulation, reasonable extensions of time for the filing of the return required by subsection (b).

Sec. 404. Absence of consideration; basis for computation of tax.

(a) Where no price or amount is paid or required to be paid for real property or where such price or amount is nominal, the consideration for the deed to such property, shall, for purposes of the tax imposed by this title, be construed to be the fair market value of the real property, and the tax shall be based upon such fair market value. In any such case, the return required to be filed with the deed shall contain such information as to the fair market value of the real property as the Mayor shall require. Whenever, in the opinion of the Mayor, a return does not contain sufficient information as to the fair market value of such real property, the Mayor is authorized to make a determination thereof from the best information available.

Sec. 405. Investigation by Mayor to determine correctness of returns; production of books and records; examination of witnesses; services of summons; compelling attendance; punishment for disobedience.

The Mayor, for the purpose of ascertaining the correctness of any return, statement, affidavit, or other document filed pursuant to the provisions of this title or pursuant to any regulations of the Mayor issued hereunder, or for the purpose of the Mayor issued hereunder, or for the purpose of ascertaining the correctness of any payment of the tax imposed by this title or the consideration for any deed upon which a tax is imposed, is authorized to examine any books, papers, records, or memoranda of any person, bearing upon such matters, and may summon any person to appear and produce books, records, papers, or memoranda pertaining thereto and to give testimony or answer interrogatories under oath respecting the same and the Mayor shall have power to administer oaths to such person or persons. Such summons may be served by any member of the Metropolitan Police Department. If any person having been personally summoned shall neglect or refuse to obey the summons as herein provided then, the Mayor may report that fact to the Superior Court for the District of Columbia, or one of the judges thereof, and said court or any judge thereof hereby is empowered to compel obedience to such summons to the same extent as witnesses may be compelled to obey the subpoena of that court. Any person in custody or control of any books, papers, records, or memoranda bearing upon the matters to which reference is herein made who shall refuse to permit the examination by the Mayor or any person designated by the Mayor of any such books, papers, records, or memoranda, or who shall obstruct or hinder the Mayor or any person designated by the Mayor in the examination of any books, papers, records, or memoranda, shall upon conviction thereof be subject to the penalties provided in this title.

Sec. 406. Recordation; conditions.

Except as otherwise provided in this title, no deed shall be recorded by the Mayor until the return required by this title shall have been filed, and the tax imposed by this title shall have been paid.

Sec. 407. Presumptions; burden of proof.

For the purpose of proper administration of this title and to prevent evasion of the tax hereby imposed, it shall be presumed that all transfers of real property are taxable and the burden shall be upon the taxpayer to show that a transfer is exempt from tax.

Sec. 408. Deficiencies in tax; notice of determination; protests; hearings; time for payment.

(a) If a deficiency in the transfer tax is determined by the Mayor, the person liable for the payment thereof shall be notified by registered or certified mail of the determination which shall include a statement of taxes due and the person shall be given a period of not less than thirty (30) days after such notice is sent in which to file a protest with the Mayor and show cause or reason why the deficiency should not be paid. If no protest is filed within such thirty (30) day period, the deficiency as determined by the Mayor shall be final. If a protest is filed within the period of thirty (30) days, opportunity for hearing thereon shall be granted by the Mayor and final decision thereon shall be made as quickly as practicable and notice of such decision, together with a statement of taxes finally determined to be due, shall be sent by registered or certified mail to the person liable for the payment of the deficiency.

(b) Any deficiency in tax which has become final in accordance with the provision of subsection (a) shall, if no protest is filed, be due and payable within ten (10) day after the expiration of the thirty (30) day period provided in subsection (a) or, if a protest is filed, shall be due and payable within ten (10) day after notice of the final decision of the Mayor upon such protest is sent to the person liable for payment of the deficiency.

Sec. 409. Penalties and interest; waiver; interest on deficiency assessments; extension of time for payment.

(a) In the case of any failure to make and file a correct return as required by this title within the time prescribed by this title or in regulation issued by the Mayor, four percent (4%) of the tax imposed by this title shall be added to such tax for each month or fraction thereof that such failure continues, not to exceed twenty-five percent (25%) in the aggregate, except when a return is filed after such time and it is shown that the failure to file was due to reasonable cause and not due to neglect the Mayor may in his discretion waive, in whole or in part, the addition to the tax provided by this subsection.

(b) The amount added to any tax under subsection (a) shall become a part of the tax and shall be collected in the same manner as the tax.

(c) Interest upon the amount finally determined as a deficiency, and shall be collected as a part of the tax, at the rate of one and one-fourth percent (1 1/4) per month or portion of a month, from the date prescribed for the payment of the tax to the date the deficiency is paid.

(d) If the time for payment of any part of a deficiency is extended there shall be collected, as part of the tax, interest on the part of the deficiency the time for payment of which is so extended at the rate of one and one fourth percent ($1\frac{1}{4}$) per month or portion of a month for the period of the extension. If a part of the deficiency, the time for payment of which is so extended is not paid in full, together with all penalties and interest due thereon, prior to the expiration of the period of the extension, then interest at a rate of one and one-fourth percent ($1\frac{1}{4}$) per month or portion of a month shall be added and collected on such unpaid amount from the date of the expiration of the period of the extension until it is paid.

(e) If any part of any deficiency is due to negligence, or intentional disregard of rules and regulations out without intent to defraud, five percent (5%) of the total amount of the deficiency (in addition to such deficiency) shall be assessed, collected, and paid in the same manner as if it were a deficiency.

(f) If any part of any deficiency is due to fraud with intent to evade the tax, then fifty percent (50%) of the total amount of the deficiency (in addition to such deficiency) shall be assessed, collected, and paid in the same manner as if it were a deficiency.

(g) Where a deficiency, or any interest or additional amounts assessed in connection therewith under subsection (c), (e) or (f), is not paid in full within the time prescribed by this section, there shall be collected as part of the tax interest upon the unpaid amount at the rate of one and one-fourth percent ($1\frac{1}{4}$) per month or portion of a month from the date when such unpaid amount was due until it is paid.

(h) The Mayor is authorized, at the request of the taxpayer, and before the date prescribed for payment of the tax, to extend the time for payment by the taxpayer of the amount of the tax imposed by this title whether determined as a deficiency or otherwise, for a period not to exceed six (6) months from the date prescribed for the payment of such tax.

Sec. 410. Compromises and settlement; written agreements for settlement of tax liability; penalties for illegal acts in connection with compromise agreements; prosecutions.

(a) Whenever in the opinion of the Mayor there shall arise with respect of any tax imposed under this title any doubt as to the liability of the taxpayer or the collectibility of the tax for any reason whatsoever, the Mayor may compromise such tax.

(b) The Mayor is authorized to enter into a written agreement with any person relating to the liability of such person for payment of the tax imposed under this title. Any such agreement which is approved by the Mayor and the taxpayer involved, or the taxpayer's authorized agent or representative, shall be final and conclusive -- except upon a showing of fraud, malfeasance, or misrepresentation of a material fact -- and the case shall not be reopened as to the matters agreed upon or the agreement modified; and in any suit or proceeding relating to the tax liability of the taxpayer such agreement shall not be annulled, modified, set aside, or disregarded.

(c) Any person who, in connection with any compromise under this section or offer of such compromise under this section or offer to enter into any such agreements, conceals from any officer or employee of the District of Columbia government any material fact relating to the tax imposed by this title, destroys, mutilates, or falsifies any books, documents, or

records; or makes under oath any false statements relating to the tax imposed by this title shall upon conviction thereof, be fined not more than \$1,000 or imprisoned for not more than one year, or both. All prosecutions under this section shall be brought in the Superior Court of the District of Columbia, on information by the Corporation Counsel of the District of Columbia or any of his or her assistants.

Sec. 411. Compromise of penalties and adjustment of intent. The Mayor may for good cause shown compromise any penalty which may be imposed under the provisions of this title. The Mayor may adjust any interest, where in his or her opinion, the facts in the case warrant such action.

Sec. 412. Limitations; time for making assessments; extension of time by agreement; suspension of running of period of limitations.

(a) Except as otherwise provided in this section, the amount of any tax imposed by this title shall be assessed within three (3) years after the deed is recorded by the Mayor and no proceeding in court without assessment for the collection of such tax shall be begun after the expiration of such period.

(b) In the case of a false or fraudulent return, with the intent to evade tax, the tax may be assessed, or a proceeding in court for collection of such tax may be begun without assessment, at any time.

(c) In case of a willful attempt in any manner to defeat or evade the tax imposed by this title, the tax may be assessed, or a proceeding in court for collection of such tax may be begun without assessment, at any time.

(d) In the case of failure to file a return, the tax may be assessed, or a proceeding in court for collection of such tax may be begun without assessment, at any time.

(e) Where, before the expiration of the time prescribed in this section for the assessment of the tax imposed by this title, the Mayor and the taxpayer have consented in writing to its assessment after such time the tax may be assessed at any time prior to the expiration of the period agreed upon. The period so agreed upon may be extended by subsequent agreements in writing made before the expiration of the period previously agreed upon.

(f) The running of the period of limitations provided for in this section on the making of assessments or the collection of the tax imposed by this title in any manner authorized by law, shall be suspended for any period during which the Mayor is prohibited from making the assessment or from collecting said tax, and for ninety (90) days thereafter: PROVIDED, That in any case where a proceeding is commenced by a taxpayer in any court in connection with the tax imposed by this title, the running of the period of limitations shall be suspended for the period of the pendency of such proceeding shall have been dismissed or otherwise disposed of, for a period of ninety (90) days after such dismissal or other disposition.

Sec. 413. Administration of paths.

The Mayor is authorized to administer paths and affidavits in relation to any matter or proceeding conducted by the Mayor in the exercise of the Mayor's powers and duties under this title.

Sec. 414. Appeal; other remedies.

Any person aggrieved by an assessment of a deficiency in tax finally determined by the Mayor under the provisions of section

408 may appeal to the Superior Court of the District of Columbia in the same manner and to the same extent as set forth in sections 3, 4, 7, 10 and 11 of title IX of the District of Columbia Revenue Act of 1937, approved May 16, 1938. (52 Stat. 370; D.C. Code, secs. 47-2403, 47-2404, 47-2407, 47-2410, & 47-2411).

Sec. 415. Refunds and Collection.

The provisions of section 14 to Title IX of the District of Columbia Revenue Act of 1937, approved July 10, 1952 (66 Stat. 546; D.C. Code, sec. 47-2413) and the provisions of sections 1601 and 1602 of title XVI of the District of Columbia Public Works Act of 1954 approved May 18, 1954 (68 Stat. 119; D.C. Code, secs. 47-312 & 47-313) shall be applicable to the tax imposed by this title.

Sec. 416. Issuance of rules and regulations.

The Mayor is authorized to issue such rules and regulations as he or she may deem necessary to carry out the purposes of this title.

Sec. 417. Abatement.

The Mayor is authorized to abate the unpaid portion of any tax due under the provision of this title, or any liability in respect thereof, if the Mayor determines under rule or regulation that the administration and collection costs involved would not warrant collection of the amount due.

Sec. 418. General criminal penalty; prosecutions by the Corporation Counsel.

Whoever violates any provision of this title for which no specific penalty is provided, or any of the rules and regulations issued under the authority of title, shall upon conviction, be subject to a fine of not more than \$1,000 or to both. Prosecutions for violations of this title shall be on information filed in the Superior Court of the District of Columbia in the name of the District of Columbia by the Corporation Counsel or any of his or her assistants.

Sec. 419. Disposition of funds.

All monies collected under this title shall be deposited in the Treasury of the District of Columbia to the credit of the General fund.

TITLE V - AMENDMENTS TO THE DISTRICT OF COLUMBIA

INCOME AND FRANCHISE TAX ACT OF 1947

Sec. 501. Section 8(a)(3) of title III of the District of Columbia Income and Franchise Tax Act of 1947, approved July 16, 1947 (61 Stat. 337 D.C. Code, sec. 47-1557b(a)(3)) is amended as follows:

- (a) clause (iv) is repealed; and
- (b) clauses (v), (vi), and (vii) are redesignated as clauses (iv), (v), and (vi) respectively.

Sec. 502. Title XII of the District of Columbia Income and Franchise Tax Act of 1947, approved July 16, 1947 (61 Stat. 353; D.C. Code, sec. 47-1586 et seq.) is amended as follows:

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38. (52 Stat.
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(a) Section 7(a) (D.C. Code, sec. 47-1586f(a)) is amended by striking the words "July" and "October" in paragraphs (6) and (7) whenever they appear and inserting the words "June" and "September" respectively in lieu thereof.

(b) Section 8 (D.C. Code, sec. 47-1586g) is amended as follows:

(1) Subsection (i) is amended as follows:

(A) In paragraph (4)(A) strike the word "July" wherever it appears and insert the word "June" in lieu thereof;

(B) In paragraph (4)(B) strike the words "July" and "October" wherever they appear and insert the words "June" and "September" respectively in lieu thereof; and

(C) In paragraph (4)(C) strike the word "October" the first time it appears and insert the word "September" in lieu thereof.

(2) The following new subsection is added at the end thereof to read as follows:

)" (1) Notwithstanding any other provisions of this article, interest shall be assessed on deficiencies and late payments of income tax withheld or required to be withheld at source by an employer as provided for in this section at the rate of one and one half percent (1 1/2%) per month or fraction thereof from the date prescribed for payment of the tax until paid."

(c) Section 11(a) (D.C. Code, sec. 47-1586j(a)) is amended by striking in the last sentence the phrase "of one-third of 1 per centum per mont" and inserting the words "provided for in subsection (c) of section 14 of title IX of the District of Columbia Revenue Act of 1937, approved July 10, 1952 (66 Stat. 546; D.C. Code, sec. 47-2413(c))" in lieu thereof.

(d) Section 14(b) (D.C. Code, sec. 47-1586l-1) is amended by striking the figure "9" and inserting the figure "15" in lieu thereof,

Sec. 503. Title XIII of the District of Columbia Income and Franchise Tax Act of 1947, approved July 16, 1947 (61 Stat. 356; D.C. Code, secs. 47-1589 et seq.) is amended as follows:

(a) Section 1(d) (D.C. Code, sec. 47-1589(d)) is amended by:
(1) Striking the figure "9" and inserting the figure "15" in lieu thereof.

(2) Striking the words "July" and "October" and inserting the words "June" and "September" respectively in lieu thereof.

(b) Section 2(a) and (b) (D.C. Code, sec. 47-1589(a) and (b)) is amended by striking the phrase "three-fourths of one per centum" and inserting the phrase "one and one-fourth per centum" wherever it appears in lieu thereof.

(c) Section 4 (D.C. Code, sec. 47-1589c) is amended by striking the phrase "three-fourths of one per centum" and inserting the phrase "one and one-fourth per centum" wherever it appears in lieu thereof.

(d) Section 5 (D.C. Code, sec. 47-1589d) is amended by striking the phrase "three-fourths is one per centum" and inserting phrase "one and one-fourth per centum" in lieu thereof.

Sec. 504. The provisions of this title regarding the assessment of interest charges for the late filing of returns, late payment of the tax, and extensions of time of filing returns, shall apply only with respect to late returns filed,

late payments made, extensions of time granted, and determinations of tax due (by court action or administratively) after July 1, 1980.

TITLE VI - AMENDMENT TO THE DISTRICT OF COLUMBIA
REVENUE ACT OF 1937

Sec. 601. Section 14(c) of Title IX of the District of Columbia Revenue Act of 1937, approved July 10, 1952 (66 Stat. 546; D.C. Code, sec. 47-2413(c)) is amended by striking the figure "4" and inserting the figure "6" in lieu thereof.

Sec. 602. The provisions of this title shall apply only with respect to refunds for which both the claims for refund were filed and the liability for refund was determined (either by court action or administratively) after July 1, 1980.

TITLE VII - MISCELLANEOUS PROVISIONS

Sec. 701. The Mayor is authorized to issue such rules and regulations necessary for the proper and efficient administration of this act.

Sec. 702. (a) If any provision of this act, including any amendment made by this act, or the application thereof to any person or circumstance, is held invalid, the remainder of the act, including the remaining amendments, and the application of such provision to other persons or circumstances shall not be affected thereby.

(b) The repeal or amendment by this act of any provision of law shall not affect any act done or any right accrued or accruing under such provision of law before the effective date of this act or any suit or proceeding had or commenced before the effective date of this act, but all such rights and liabilities under such act shall continue, and may be enforced in the same manner and to the same extent, as if such repeal or amendment had not been made.

(c) All offenses committed, and all penalties incurred, prior to the effective date of this act, under any provisions of law hereby repealed or amended, may be prosecuted and punished in the same manner and with the same effect as if this act had not been enacted.

Sec. 703. The Mayor shall within ten (10) days of receipt of a request of the chairperson of a Council committee (excluding Saturdays, Sundays and legal holidays), estimate the cost of all expenditures to be incurred by the District of Columbia government under permanent legislation to be adopted by the Council. Within thirty (30) days of the effective date of this act, the Mayor shall adopt standards by which to make such determinations and shall submit such standards to the Council for its disapproval in whole or in part within thirty (30) days of receipt.

Sec. 704. (a) Except as provided in subsection (b), this act shall take effect after a thirty (30) day period of Congressional review following approval by the Mayor (or in the event of veto by the Mayor, action by the Council of the District

of Columbia to override the veto) as provided in section 602(c)(1) of the District of Columbia Self-Government and Governmental Reorganization Act, approved December 24, 1973 (87 Stat. 813; D.C. Code, sec. 1-147(c)(1)).

(b) The provisions of titles I, II, and IV shall become effective on August 1, 1980.

Source

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. 3-285, on first and second readings, June 17, 1980 and July 1, 1980, respectively. Following the signature of the Mayor on July 9, 1980, this legislation was assigned Act No. 3-214, published in the August 8, 1980, edition of the D.C. Register, (Vol. 27 page 3390) and transmitted to Congress on July 15, 1980 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 this enactment as D.C. Law 3-92 effective September 13, 1980.

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