



How to “Gentrification-Proof” More Than 30% of Existing Residents in Three West Baltimore Neighborhood Clusters with the Stroke of a Pen

Fact: 31% of the existing residents of the three neighborhood clusters around the West Baltimore MARC Station (*Sandtown-Winchester Harlem Park, Greater Rosemont, Southwest Baltimore*) are owner-occupiersⁱ

Fact: The actual number of owner-occupiers is approximately 6,600 (21,380*.31)ⁱⁱ

Fact: The median home price in the three neighborhood clusters is approximately \$75,000ⁱⁱⁱ

Fact: Limiting annual property tax increases to 2% maximum per year would cost the city \$1.1 million in forgone real estate tax revenue in the first year, or .13% of all real estate tax revenue for the year.^{iv}

Fact: The 20-year annual cost in forgone taxes will, if all homeowners stay in their home in perpetuity, and aggregate real estate tax revenue does not rise at all, average \$22 million annually, or annual 2.57% of the 2020 total of real estate tax revenue.

Fact: Realistically however, real estate tax revenue will rise annually, and the number of Year 0 existing residents remaining in their home will decrease annually, so the above “2.57” annual percentage is predicted to be dramatically lower.

The Upshot: With the stroke of a pen, the mayor can declare in truth that he has put in place a measure to facilitate preservation in perpetuity of more than 30% of the existing residents of the three neighborhood clusters around the West Baltimore MARC station, regardless of how much revitalization occurs and property taxes rise.

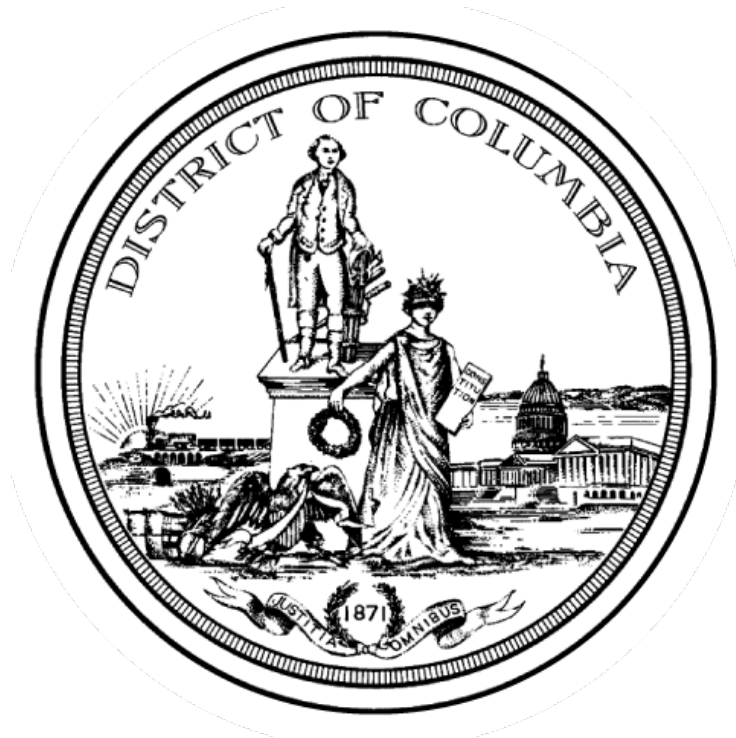
The DC legislation that follows, entitled the “*Age-in-Place and Equitable Senior-Citizen Real Property and Relief Payment Plan Amendment Act of 2013*” can be used as a model for how to cut property taxes for the future for one specific segment of the population. In practice, the applicable geographic area may need to be declared a “local empowerment zone” or “local opportunity zone” or “local inclusionary zone” in order to set boundaries for the target area.

See cost spreadsheet, appended at the end, for calculations.

Legislation Sources:

<https://code.dccouncil.us/dc/council/code/sections/47-863.html>

<https://otr.cfo.dc.gov/page/real-property-tax-credits-frequently-asked-questions-faqs>



Code of the District of Columbia

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Publication Information

Current through Aug. 23, 2021

Last codified D.C. Law:

[Law 24-19 effective July 29, 2021](#)

Last codified Emergency Law:

[Act 24-364 effective Aug. 23, 2021](#)

Last codified Federal Law:

[Public Law approved Jan. 1, 2021](#)

We cannot respond to questions regarding the law.

§ 47-863. Reduced tax liability for property owners over age 65 and for property owners with disabilities; rules.

(a) For the purposes of this section, the term:

(1) “Adjusted gross income” shall have the same meaning as in section 62 of the Internal Revenue Code of 1986, approved August 16, 1954 (68A Stat. 17; 26 U.S.C. § 62).

(1A) “Eligible household” means:

(A) In the case of a house or condominium, an individual’s residence:

(i) That comprises a dwelling unit;

(ii) That is Class 1 Property, as defined in [§ 47-813](#), and contains not more than 5 dwelling units therein;

(iii)(I) That is owned at least 50%, in whole or in part, by the individual who:

(aa) Is 65 years of age or older; and

(bb) Whose household adjusted gross income is less than \$125,000, increased annually, beginning October 1, 2014, by the senior or disabled cost-of-living adjustment (if the adjustment does not result in a multiple of \$50, rounded to the next lowest multiple of \$50); or

(II)(aa) Has been determined to have a permanent and total disability by the Social Security Administration, is receiving Supplemental Security Income or Social Security Disability, is receiving railroad retirement disability benefits, or is receiving federal or District of Columbia government disability payments; and

(bb) Whose household adjusted gross income is less than \$125,000, increased annually, beginning October 1, 2014, by the senior or disabled cost-of-living adjustment (if the adjustment does not result in a multiple of \$50, rounded to the next lowest multiple of \$50).

(B) In the case of a cooperative housing association that is Class 1 Property, as defined in [§ 47-813](#), a shareholder’s or member’s residence:

(i) That comprises a dwelling unit;

(ii) That is owned at least 50%, in whole or in part, by the individual who:

(I)(aa) Is 65 years of age or older; and

(bb) Whose household adjusted gross income is less than \$125,000, increased annually, beginning October 1, 2014, by the senior or disabled cost-of-living adjustment (if the adjustment does not result in a multiple of \$50, rounded to the next lowest multiple of \$50); or

(II)(aa) Has been determined to have a permanent and total disability by the Social Security Administration, is receiving Supplemental Security Income or Social Security Disability, is receiving railroad retirement disability benefits, or is receiving federal or District of Columbia government disability payments; and

(bb) Whose household adjusted gross income is less than \$125,000, increased annually, beginning October 1, 2014, by the senior or disabled cost-of-living adjustment (if the adjustment does not result in a multiple of \$50, rounded to the next lowest multiple of \$50); and

(iii) That, by reason of his or her ownership of stock or membership certificate, a proprietary lease, or other evidence of membership, is occupied by right by the shareholder or member with at least a 50% interest which permits the occupation of the dwelling unit.

(1B) [Repealed].

(2) “Household adjusted gross income” means the adjusted gross income of all persons residing in a household, as determined by each person’s federal income tax year ending immediately before the beginning of the real property tax year during which the deduction provided under subsection (b) of this section shall be applicable, excluding the adjusted gross income of any person who is a tenant by virtue of a written lease for fair market value.

(2A) [Repealed].

(3) “Residence” means the principal place of residence in the District of an individual, shareholder, or member who is domiciled in the District that is located on a lot that is entitled to the homestead deduction provided under [§ 47-850](#) or [§ 47-850.01](#) for the real property tax half year to which the deduction provided under subsection (b) of this section shall be applicable.

(4) Repealed.

(5) “Taxable assessment” means the assessed value of the real property, reduced, if applicable, by the credit under [§ 47-864](#) or the deduction under [§ 47-850](#).

(6) “20 consecutive tax years” shall include no more than 2 consecutive gaps of ownership where each gap shall not exceed 120 days.

(b)(1) In the case of a house or condominium, an eligible household shall be eligible for a 50% deduction in computing real property tax liability. The deduction shall be computed by multiplying the tax rate by 50% of an amount equal to the current tax year’s taxable assessment. The deduction shall be apportioned equally between each installment during a tax year and shall not be carried forward or carried back.

(2)(A) In the case of a cooperative housing association, the deduction shall be computed by multiplying the tax rate by 50% of an amount equal to the current tax year’s taxable assessment attributable to the eligible household. The deduction shall be apportioned equally between each installment during a tax year and shall not be carried forward or carried back.

(B) The taxable assessment attributable to the eligible household shall be determined in the same manner as the cooperative housing association was assessed under [§ 47-820.01](#), including any prorations thereunder.

(b-1) [Repealed].

(c)(1) In the case of a house or condominium, and to qualify the eligible household to receive the deduction, the individual shall complete and file with the Mayor an application in a form prescribed by the Mayor. The individual shall certify, under penalty of perjury, the information provided on the application form and the application form shall be filed in the

manner prescribed by the Mayor. The Mayor may require the individual to provide any information which the Mayor considers necessary, including all taxpayer identification numbers of the individual, any other owner, any person with legal or equitable title, and any person in the household of the individual. The Mayor may also require the individual, any other owner, any person with legal or equitable title, and any person in the household of the individual to submit information after the deduction has been allowed to determine whether the real property remains an eligible household and entitled to the deduction.

(2)(A) For the cooperative housing association to qualify and receive the deduction, the shareholder or member shall complete and file with the Mayor an application in a form prescribed by the Mayor. The shareholder or member shall certify, under penalty of perjury, the information provided on the application form, and the application form shall be filed in the manner prescribed by the Mayor. The Mayor may require the shareholder or member to provide any information which the Mayor considers necessary, including the taxpayer identification numbers of the shareholder or member, any other person with an ownership or membership interest, and any person in the household of the shareholder or member. The Mayor may also require the shareholder or member, any other person with an ownership or membership interest, and any person in the household of the shareholder or member to submit information after the deduction has been granted to determine whether the cooperative housing association remains entitled to the deduction for the eligible household.

(B) The Mayor may require the officers or managers of the cooperative housing association to distribute the application forms to its shareholders or members and to collect the completed application forms from the shareholders or members for return to the Mayor. Officers and managers of a cooperative housing association shall submit such other information as the Mayor may require.

(C) The deduction shall be passed on to the eligible household by the cooperative housing association during the corresponding tax year.

(d) If a properly completed and approved application is filed during the period October 1 through March 31 of the tax year, the real property shall receive the deduction for the entire tax year. Notwithstanding subsection (b) of this section, if a properly completed and approved application is filed during the period April 1 through September 30, the real property shall receive $\frac{1}{2}$ of the deduction, which shall be applied to the second installment only.

(e) The application form filed by the individual, shareholder, or member shall apply to the initial tax year, or applicable installment, and to any succeeding tax year thereafter for which the deduction is allowed.

(f)(1) Within 45 days from the date of the notice rescinding or denying the deduction, the owner may petition for an administrative review of the rescission or denial and appeal from a final determination thereof to the same extent as if the appeal were filed under [§ 47-825.01a\(d\)\(2\)](#).

(2) Notwithstanding paragraph (1) of this subsection, if the eligible household is transferred and continued to qualify for the deduction 30 days or less before the date of execution of the deed of transfer, the applicant shall not be required to notify the Mayor of the change in eligibility.

(3) If the tax is paid within 30 days of the corresponding bill, timely notification of the change in eligibility shall preclude assessment of penalty and interest.

(4) If the change in eligibility occurs during the period October 1 through March 31 of the tax year, the deduction shall be disallowed for the entire tax year.

(5) Notwithstanding subsection (a) of this section, if the change in eligibility occurs during the period April 1 through September 30, the real property shall receive $\frac{1}{2}$ of the deduction, which shall be applied to the first installment only.

(6)(A) Notwithstanding the rescissions of the deduction pursuant to paragraphs (4) and (5) of this subsection, if the applicant's required ownership interest in the real property is transferred to a new owner, shareholder, or member who does not apply or qualify for the deduction, the real property shall nevertheless be entitled to the apportioned amount of the deduction applicable to the installment payable during the half tax year during which such ownership interest was transferred. At the end of the half tax year, the deduction shall cease.

(B) If the applicant purchases another real property or interest in a housing cooperative for which he or she shall make application for the deduction, and the application and purchase occurs during the same half tax year when the transfer occurred, subsections (i) and (j) of this section shall not apply to the extent that both real properties may benefit from the deduction during that half tax year and, thereafter, only the newly purchased real property or housing cooperative in which the applicant acquired newly an interest shall benefit from the applicant's deduction.

(C) Notwithstanding the foregoing, a real property shall not benefit from more than one deduction in any half tax year; provided, that in the case of a housing cooperative, the real property shall not benefit from more than one deduction related to an eligible household in any half tax year.

(f-1) A denial of the deduction shall be subject to the provisions of [§ 47-813\(d-1\)\(3A\)](#) to the same extent as an appeal of a Class 3 classification.

(f-2) [Repealed].

(g) If real property tax is owing as a result of an erroneous or improper deduction, the following shall apply:

(1) Except in the case of cooperative housing associations, if the eligible household was transferred, the applicant or former owner, and not the real property shall be personally liable for the amount of the delinquent real property tax which was not paid timely during the period when the applicant or former owner had an ownership interest in the eligible household, together with interest and penalty at the same rate as provided in this chapter for the late payment of real property tax. The tax shall be considered due on the date that the total amount of real property tax was due but unpaid and shall be collected in the manner prescribed under Chapter 44.

(2) Notwithstanding paragraph (1) of this subsection, if the eligible household was transferred and the grantee failed to timely record a deed under [§ 47-1431](#) (or other evidence of the transfer in the case of a cooperative housing association), the real property shall be liable for the amount of the delinquent real property tax which was not timely paid, together with interest and penalty as provided in this chapter for the late payment of real property tax.

(3) In all other cases, the real property shall be liable for the amount of the delinquent real property tax which was not paid timely, together with interest and penalty as provided in this chapter for the late payment of real property tax; provided, that the Chief Financial Officer may establish a payment plan to collect the delinquent taxes.

(h) The eligibility of an eligible household for the deduction shall not be affected by the transfer of the eligible household into a revocable trust if the transfer is without consideration and the eligible household remains the residence of the applicant-grantor before and after the transfer.

(i) No other person in the household of the individual, shareholder, or member shall claim a deduction for an eligible household in the District. The cooperative housing association shall not receive a deduction for an eligible household if the basis of the deduction is another person in the household of the shareholder or member.

(j) If an individual, shareholder, or member claims more than one eligible household in the same tax year, and has not timely notified the Mayor of all changes in eligibility, the Mayor shall disallow the deduction for all eligible households claimed by the individual, shareholder or member.

(k)(1) The Mayor may contract with a collection agency inside or outside of the District to verify the contents of any application form or return for the purposes of determining the eligibility of any eligible household.

(2) All funds collected by the collection agency and belonging to the District shall be remitted to the Mayor not less than once a month. Forms to be utilized for the remittances may be prescribed by the Mayor. The Mayor may require that the collection agency furnish a bond securing compliance with the provisions of this subsection and the contract with the District.

(3) At the discretion of the Mayor:

(A) The collection agency may charge a collection fee not in excess of 25% of the total amount of the delinquent taxes, excluding penalties and interest, that is actually collected; or

(B) The collection agency may be remunerated by fee, percentage of taxes collected, or both.

(4) Notwithstanding any other provision contained in this title, confidential information related to the owner of the real property may be provided to a collection agency for purposes of collecting a delinquent tax under this chapter. If the information is provided to a collection agency under this subsection, the collection agency shall not disclose the information to a third party, other than the owner (or his or her representative), unless the Mayor would be authorized by law to make the disclosure. A collection agency, or employee of a collection agency, violating the provisions of this subsection shall be guilty of a misdemeanor and, upon conviction thereof, shall be fined not more than the amount set forth in [[§ 22-3571.01](#)], or imprisoned for not more than 180 days, or both. All prosecutions under this paragraph shall be brought in the Superior Court of the District of Columbia on information by the Attorney General for the District of Columbia in the name of the District of Columbia.

(l) In the case of a house or a condominium, the real property tax bill shall indicate whether the real property is receiving the deduction.

(Sept. 23, 1986, D.C. Law 6-153, § 5, 33 DCR 4787; Mar. 7, 1992, D.C. Law 9-56, § 5, 38 DCR 7281; Sept. 10, 1992, D.C. Law 9-145, § 105, 39 DCR 4895; Oct. 7, 1992, D.C. Law 9-177, § 8, 39 DCR 5868; June 14, 1994, D.C. Law 10-127, § 2, 41 DCR 2050; enacted, Apr. 9, 1997, D.C. Law 11-254, § 2, 44 DCR 1575; June 25, 2002, D.C. Law 14-147, § 2(g), 49 DCR 4219; Apr. 4, 2003, D.C. Law 14-282, § 11(l), 50 DCR 896; June 5, 2003, D.C. Law 14-307, § 1303(f), 49 DCR 11664; Mar. 13, 2004, D.C. Law 15-105, § 72(c), 51 DCR 881; Dec. 7, 2004, D.C. Law 15-205, § 1162(e), 51 DCR 8441; Apr. 13, 2005, D.C. Law 15-354, § 73(b)(6), 52 DCR 2638; Oct. 20, 2005, D.C. Law 16-33, §§ 1082(c), 1262(b), 1297(a)(3), 52 DCR 7503; Mar. 2, 2007, D.C. Law 16-191, § 102, 53 DCR 6794; Apr. 24, 2007, D.C. Law 16-305, § 73(b), 53 DCR 6198; Aug. 15, 2008, D.C. Law 17-216, § 4(e), 55 DCR 7500; Mar. 25, 2009, D.C. Law 17-345, § 2(e), 56 DCR 962; July 13, 2012, D.C. Law 19-155, § 2(d), 59 DCR 5590; July 13, 2012, D.C. Law 19-165, § 2, 59 DCR 6188; June 11, 2013, D.C. Law 19-317, §

[286\(f\)](#), [60 DCR 2064](#); [Dec. 24, 2013, D.C. Law 20-61, § 7323](#), [60 DCR 12472](#); [May 28, 2014, D.C. Law 20-105, § 2](#), [61 DCR 3474](#); [June 26, 2014, D.C. Law 20-117, § 12\(a\)](#), [61 DCR 2032](#); [Feb. 26, 2015, D.C. Law 20-155, § 7052\(a\)\(2\)](#), [61 DCR 9990](#); [Oct. 22, 2015, D.C. Law 21-36, §§ 7014, 7202, 62 DCR 10905.](#))

Prior Codifications

1981 Ed., § 47-863.

Section References

This section is referenced in [§ 47-405](#), [§ 47-845.02](#), [§ 47-845.03](#), [§ 47-1803.02](#), and [§ 47-1806.09a](#).

Effect of Amendments

[D.C. Law 14-147](#) rewrote the section.

[D.C. Law 14-282](#) rewrote subsecs. (b)(1)(B) and (b)(2)(A).

[D.C. Law 14-307](#), in subsec. (b), validated a previously made technical amendment in par. (1)(B), substituted “[§ 47-850.01](#); provided, that if a credit is received under [§ 47-864](#), 125% of the prior year’s taxable assessment shall be deemed the estimated market value for purposes of this paragraph.” for “[§ 47-850.01](#).” in sub-subpar. (2)(A)(i)(II); in subsec. (f)(1), deleted “decrease or” preceding “deduction”; and added subsec. (f-1).

[D.C. Law 15-105](#), in subsec. (b)(2)(A)(i), validated a previously made technical correction.

[D.C. Law 15-205](#), in subsec. (b), rewrote subpar. (B) of par. (1), and rewrote subpar. (A) of par. (2).

[D.C. Law 15-354](#) substituted “Attorney General for the District of Columbia” for “Corporation Counsel”.

[D.C. Law 16-33](#), in the section name line, inserted “and for disabled property owners”; substituted “eligible” for “senior’s” throughout the section; in subsec. (a), added pars. (1A) and (5), and repealed par. (4); rewrote subsec. (b); and, in subsec. (c), added par. (2)(C).

[D.C. Law 16-191](#), in subsec. (a)(1A)(B), redesignated subpar. (I) as subpar. (i); and, in subsecs. (b), (c), (h), and (i), validated previously made technical corrections.

[D.C. Law 16-305](#), in the section name line, substituted “property owners with disabilities” for “disabled property owners”; and, in subsec. (a)(1A), substituted “have a permanent and total disability” for “be permanently and totally disabled”.

[D.C. Law 17-216](#), in subsec. (f-1), substituted “an appeal of a Class 3 classification” for “a reclassification”.

[D.C. Law 17-345](#), in subsec. (f), substituted “applicant (or current owner if there is no applicant)” for “applicant” in par. (1), deleted “(for which notification is required under this subsection)” following “eligibility” in pars. (4) and (5), and added par. (6); in subsec. (g)(1), substituted “applicant or former owner, and not the real property” for “applicant” the first time it appears and substituted “applicant or former owner” for “applicant” the second time it appears; and, in subsec. (l), substituted “deduction” for “decrease”.

[D.C. Law 19-155](#) rewrote subsec. (f-1).

The 2013 amendment by [D.C. Law 19-165](#), § 2(a), substituted “\$125,000” for “\$100,000” in (a)(1A)(A)(iii)(I)(bb) and (a)(1A)(A)(iii)(II)(bb).

The 2013 amendment by [D.C. Law 19-165](#), § 2(b), rewrote (a)(2) and (a)(3).

The 2013 amendment by [D.C. Law 19-317](#) substituted “not more than the amount set forth in [[§ 22-3571.01](#)]” for “not more than \$1,000” in (k)(4).

The 2013 amendment by [D.C. Law 20-61](#) added “adjusted for inflation beginning on January 1, 2015, as measured by the percentage increase, if any, from the preceding fiscal year in the Consumer Price Index for All Urban Consumers, Washington-Baltimore Area, published by the Bureau of Labor Statistics of the Department of Labor” twice in (a)(1A)(A); and added “provided, that the Chief Financial Officer may establish a payment plan to collect the delinquent taxes” in (g)(3).

The 2014 amendment by [D.C. Law 20-105](#) would have deleted “in whole or in part” following “50%” in (a)(1A)(A)(iii)(I) and (a)(1A)(B)(ii); would have added (a)(1B); would have rewritten (a)(2); added (a)(2A); would have added (b-1); would have rewritten (c), (d), (e), and (f); would have repealed (f-1); added (f-2); and would have rewritten (g), (h), (i), (j), and (k).

The 2014 amendment by [D.C. Law 20-117](#) substituted “\$125,000, increased annually, beginning October 1, 2014, by the senior or disabled cost-of-living adjustment (if the adjustment does not result in a multiple of \$50, rounded to the next lowest multiple of \$50)” for “\$125,000; adjusted for inflation beginning on January 1, 2015, as measured by the percentage increase, if any, from the preceding fiscal year in the Consumer Price Index for All Urban Consumers, Washington-Baltimore Area, published by the Bureau of Labor Statistics of the Department of Labor” throughout (a)(1A)(A); and substituted “\$125,000, increased annually, beginning October 1, 2014, by the senior or disabled cost-of-living adjustment (if the adjustment does not result in a multiple of \$50, rounded to the next lowest multiple of \$50)” for “\$100,000” throughout (a)(1A)(B).

The 2015 amendment by [D.C. Law 20-155](#) added (a)(6).

Emergency Legislation

For temporary (90 day) amendment of section, see § 2(c) of Homestead and Senior Citizen Real Property Tax Emergency Act of 2001 (D.C. Act 14-21, March 16, 2001, 48 DCR 2703).

For temporary (90 day) amendment of section, see §§ 2(g), 3 of Homestead and Senior Citizen Real Property Tax Emergency Act of 2001 (D.C. Act 14-190, November 29, 2001, 48 DCR 11219).

For temporary (90 day) amendment of section, see § 2(g) of Homestead and Senior Citizen Real Property Tax Legislative Review Emergency Act of 2001 (D.C. Act 14-226, January 8, 2002, 49 DCR 668).

For temporary (90 day) amendment of section, see §§ 1303(f) and 1304 of Fiscal Year 2003 Budget Support Amendment Emergency Act of 2002 (D.C. Act 14-544, December 4, 2002, 49 DCR 11700).

For temporary (90 day) amendment of section, see §§ 1303(f) and 1304 of the Fiscal Year 2003 Budget Support Amendment Congressional Review Emergency Act of 2003 (D.C. Act 15-27, February 24, 2003, 50 DCR 2151).

For temporary (90 day) amendment of section, see §§ 1303(f) and 1304 of Fiscal Year 2003 Budget Support Amendment Second Congressional Review Emergency Act of 2003 (D.C. Act 15-103, June 20, 2003, 50 DCR 5499).

For temporary (90 day) amendment of section, see § 1162(e) of Fiscal Year 2005 Budget Support Emergency Act of 2004 (D.C. Act 15-486, August 2, 2004, 51 DCR 8236).

For temporary (90 day) amendment of section, see § 1162(e) of Fiscal Year 2005 Budget Support Congressional Review Emergency Act of 2004 (D.C. Act 15-594, October 26, 2004, 51 DCR 11725).

For temporary (90 day) amendment of section, see §§ 1082(c), 1262(b), 1263, 1264, 1297(a)(3), 1298, 1299 of Fiscal Year 2006 Budget Support Emergency Act of 2005 (D.C. Act 16-168, July 26, 2005, 52 DCR 7667).

For temporary (90 day) amendment of section, see § 2(b) of Real Property Tax Benefits Revision Emergency Act of 2006 (D.C. Act 16-573, December 19, 2006, 54 DCR 18).

For temporary (90 day) amendment of section, see § 21 of Finance and Revenue Technical Amendments Second Emergency Amendment Act of 2006 (D.C. Act 16-585, December 28, 2006, 54 DCR 340).

For temporary (90 day) amendment of section, see § 4(d) of Nuisance Properties Abatement Reform and Real Property Classification Emergency Amendment Act of 2006 (D.C. Act 16-586, December 28, 2006, 54 DCR 353).

For temporary (90 day) amendment of section, see § 2(e) of Real Property Tax Benefits Revision Emergency Act of 2007 (D.C. Act 17-145, October 17, 2007, 54 DCR 10748).

For temporary (90 day) amendment of section, see § 4(d) of Nuisance Properties Abatement Reform and Real Property Classification Emergency Amendment Act of 2007 (D.C. Act 17-173, November 2, 2007, 54 DCR 11204).

For temporary (90 day) amendment of section, see § 2(e) of Real Property Tax Benefits Revision Congressional Review Emergency Act of 2008 (D.C. Act 17-435, July 16, 2008, 55 DCR 8268).

For temporary (90 day) amendment of section, see § 4(d) of Nuisance Properties Abatement Reform and Real Property Classification Congressional Review Emergency Act of 2008 (D.C. Act 17-436, July 16, 2008, 55 DCR 8272).

For temporary (90 day) amendment of section, see § 2(e) of Real Property Tax Benefits Revision Emergency Act of 2008 (D.C. Act 17-547, October 24, 2008, 55 DCR 11975).

For temporary (90 days) amendment of this section, see § 286(f) of the Criminal Fine Proportionality Emergency Act of 2013 (D.C. Act 20-45, April 1, 2013, 60 DCR 5400, 20 DCSTAT 1300).

For temporary (90 days) amendment of this section, see §§ 7322 and 7323 of the Fiscal Year 2014 Budget Support Emergency Act of 2013 (D.C. Act 20-130, July 30, 2013, 60 DCR 11384, 20 DCSTAT 1827).

For temporary (90 days) amendment of this section, see §§ 7322 and 7323 of the Fiscal Year 2014 Budget Support Congressional Review Emergency Act of 2013 (D.C. Act 20-204, October 17, 2013, 60 DCR 15341, 20 DCSTAT 2311).

For temporary (90 days) amendment of this section, see § 7062(a)(2) of the Fiscal Year 2015 Budget Support Emergency Act of 2014 (D.C. Act 20-377, July 14, 2014, 61 DCR 7598, 20 STAT 3696).

For temporary (90 days) repeal of [D.C. Law 20-105](#), see § 7010d of the Fiscal Year 2015 Budget Support Congressional Review Emergency Act of 2014 (D.C. Act 20-449, October 10, 2014, 61 DCR 10915, 20 STAT 4188).

For temporary (90 days) addition of [D.C. Law 20-155](#), § 7010d, repealing [D.C. Law 20-105](#), see § 2(k) of the Fiscal Year 2015 Budget Support Clarification Emergency Act of 2014 (D.C. Act 20-461, November 6, 2014, 61 DCR 11784, 20 STAT 4368).

For temporary (90 days) removal of the amendment of this section from [D.C. Law 20-155](#), § 7052(a), see § 2(m) of the Fiscal Year 2015 Budget Support Clarification Emergency Act of 2014 (D.C. Act 20-461, November 6, 2014, 61 DCR 11784, 20 STAT 4368).

For temporary (90 days) repeal of [D.C. Law 20-105](#), see § 7010d of the Fiscal Year 2015 Budget Support Second Congressional Review Emergency Act of 2014 (D.C. Act 20-566, January 9, 2015, 62 DCR 884, 21 STAT 541).

For temporary (90 days) addition of [D.C. Law 20-155](#), § 7010d, repealing [D.C. Law 20-105](#), see § 2(k) of the Fiscal Year 2015 Budget Support Clarification Emergency Act of 2014 (D.C. Act 20-587, January 13, 2015, 62 DCR 1294, 21 STAT 758).

For temporary (90 days) removal of the amendment of this section from [D.C. Law 20-155](#), § 7052(a), see § 2(m) of the Fiscal Year 2015 Budget Support Clarification Emergency Act of 2014 (D.C. Act 20-587, January 13, 2015, 62 DCR 1294, 21 STAT 758).

For temporary (90 days) repeal of [D.C. Law 20-105](#) and amendment of this section, see § 7016(l) of the Fiscal Year 2016 Budget Support Emergency Act of 2015 (D.C. Act 21-127, July 27, 2015, 62 DCR 10201).

Temporary Legislation

For temporary (225 day) amendment of section, see § 2(c) of Homestead and Senior Citizen Real Property Tax Temporary Act of 2001 (D.C. Law 14-4, June 13, 2001, law notification 48 DCR 5912).

For temporary (225 day) amendment of section, see § 2(g) of Homestead and Senior Citizen Real Property Tax Temporary Act of 2001 (D.C. Law 14-92, March 19, 2002, law notification 49 DCR 2997).

Section 2(b) of D.C. Law 16-257, in subsec. (f), in par. (1), substituted “applicant (or former owner if there is no applicant)” for “applicant” throughout, in pars. (4) and (5), deleted “(for which notification is required under this subsection)”, and added par. (6) to read as follows:

Section 5(b) of D.C. Law 16-257 provided that the act shall expire after 225 days of its having taken effect.

Section 4(d) of D.C. Law 16-259, in subsec. (f-1), substituted “an appeal of a Class 3 classification” for “a reclassification”.

Section 7(b) of D.C. Law 16-259 provided that the act shall expire after 225 days of its having taken effect.

Section 2(e) of D.C. Law 17-72, in subsec. (f), substituted “applicant (or former owner if there is no applicant)” for “applicant” throughout par. (1), deleted “(for which notification is required under this subsection)” in pars. (4) and (5), and added par. (6) to read as follows:

“(C) Notwithstanding the foregoing, a real property shall not benefit from more than one deduction in any half tax year; provided, that in the case of a housing cooperative, the real property shall not benefit from more than one deduction related to an eligible household in any half tax year.”; in subsec. (g)(1), substituted “applicant or former owner, and not the real property” for “applicant” the first time it appears, and “applicant or former owner” for “applicant” the second time it appears; and in subsec. (l), substituted “deduction” for “decrease”.

Section 5(b) of D.C. Law 17-72 provided that the act shall expire after 225 days of its having taken effect.

Section 4(d) of D.C. Law 17-102, in subsec. (f-1), substituted “an appeal of a Class 3 classification” for “a reclassification”.

Section 7(b) of D.C. Law 17-102 provided that the act shall expire after 225 days of its having taken effect.

Section 2(e) of D.C. Law 17-295, in subsec. (f), substituted “applicant (or former owner if there is no applicant)” for “applicant” in par. (1), deleted “(for which notification is required under this subsection)” in pars. (4) and (5), and added par. (6) to read as follows:

“(6)(A) Notwithstanding the rescissions of the deduction pursuant to paragraphs (4) and (5) of this subsection, if the applicant’s required ownership interest in the real property is transferred to a new owner, shareholder, or member who does not apply or qualify for the deduction, the real property shall nevertheless be entitled to the apportioned amount of the deduction applicable to

the installment payable during the half tax year during which such ownership interest was transferred. At the end of the half tax year, the deduction shall cease.

“(B) If the applicant purchases another real property or interest in a housing cooperative for which he or she shall make application for the deduction, and the application and purchase occurs during the same half tax year when the transfer occurred, subsections (i) and (j) of this section shall not apply to the extent that both real properties may benefit from the deduction during that half tax year and, thereafter, only the newly purchased real property or housing cooperative in which the applicant acquired newly an interest shall benefit from the applicant’s deduction.

“(C) Notwithstanding the foregoing, a real property shall not benefit from more than one deduction in any half tax year; provided, that in the case of a housing cooperative, the real property shall not benefit from more than one deduction related to an eligible household in any half tax year.”; in subsec. (g)(1), substituted “applicant or former owner, and not the real property” for “applicant” the first time it appears and substituted “applicant or former owner” for “applicant” the second time it appears; and, in subsec. (l), substituted “deduction” for “decrease”.

Section 5(b) of D.C. Law 17-295 provided that the act shall expire after 225 days of its having taken effect.

“(6) Notwithstanding the rescissions of the deduction pursuant to paragraphs (4) and (5) of this subsection, if the applicant’s required ownership interest in the real property is transferred to a new owner, shareholder, or member who does not apply or qualify for the deduction, the real property shall nevertheless be entitled to the apportioned amount of the deduction applicable to the installment payable during the half tax year during which such ownership interest was transferred. At the end of the half tax year, the deduction shall cease. If the applicant purchases another real property or interest in a housing cooperative for which he or she shall make application for the deduction, and the application and purchase occurs during the same half tax year when the transfer occurred, subsections (i) and (j) of this section shall not apply to the extent that both real properties may benefit from the deduction during that half tax year and, thereafter, only the newly purchased real property or housing cooperative in which the applicant acquired newly an interest shall benefit from the applicant’s deduction. Notwithstanding the foregoing, a real property shall not benefit from more than one deduction in any half tax year; provided, that in the case of a housing cooperative, the real property shall not benefit from more than one deduction related to an eligible household in any half tax year.”; in subsec. (g)(1), substituted “applicant (or former owner if there is no applicant)” for “applicant” throughout; and in subsec. (l), substituted “deduction” for “decrease”.

For temporary (225 days) addition of [D.C. Law 20-155](#), § 7010d, see § 2(j) of the Fiscal Year 2015 Budget Support Clarification Temporary Amendment Act of 2014 (D.C. Law 20-179, March 7, 2015, 62 DCR 424).

Short Title

Section 7321 of [D.C. Law 20-61](#) provided that Subtitle FF of Title VII of the act may be cited as the “Age-in-Place and Equitable Senior-Citizen Real Property and Relief Payment Plan Amendment Act of 2013”.

References in Text

“Section 62 of the Internal Revenue Code,” referred to in (a)(1), is classified to 26 U.S.C. § 62.

Editor's Notes

Application of 14-307: Section 1304 of [D.C. Law 14-307](#) provided: “Sections 1302 and 1303 shall apply as of October 1, 2002.”

Mayor authorized to issue rules: Section 6 of [D.C. Law 9-56](#) provided that the Mayor shall, pursuant to [subchapter I of Chapter 5 of Title 2](#), issue rules to implement the provisions of the act.

Section 3 of [D.C. Law 14-147](#) provided that section 2 shall apply as of October 1, 2001, except insofar as the retroactive application results in an increase of tax to the real property or owner thereof.

Section 15(b) of [D.C. Law 14-282](#) provided: “Sec. 15. Applicability. Section 11(1) shall apply as of October 1, 2001.”

Applicability and expiration of subtitle EE of title I, §§ 1261 to 1265, of [D.C. Law 16-33](#): Sections 1263 and 1264 of [D.C. Law 16-33](#), as amended by section 5(g) of [D.C. Law 16-191](#) and [D.C. Law 17-219](#), § 7068(c), (d), provided:

“Sec. 1263. Applicability; conditional effect.

“(a) Section 1262 shall apply for taxable years beginning after September 30, 2005.”

“(b) Repealed.

“(c) Repealed.

“Sec. 1264. Repealed.”

Applicability and expiration of subtitle KK of title I, §§ 1295 to 1300, of [D.C. Law 16-33](#): Sections 1298 and 1299, as amended by [D.C. Law 17-219](#), § 7068(l), (m) provided:

“Sec. 1298. Conditional applicability.

“(a) Sections 1296 and 1297 shall apply for taxable years beginning after September 30, 2005.

“Sec. 1299. Repealed.”

Section 3 of [D.C. Law 17-345](#) provided: “Sec. 3. Applicability. (a) Section 2(c)(1)(A) and (B), (c)(2), (e)(1)(A) and (B), and (e)(2) shall apply for tax years beginning after September 30, 2001.

“(b) Section 2(c)(1)(C) and (e)(1)(C) shall apply as of January 2, 2007.”

Applicability of [D.C. Law 19-317](#): Section 401 of [D.C. Law 19-317](#) provided that the act shall apply only to offenses committed on or after June 11, 2013.

Applicability of [D.C. Law 20-61](#): Section 11001 of [D.C. Law 20-61](#) provided that, except as otherwise provided, the act shall apply as of October 1, 2013.

Section 3 of [D.C. Law 19-165](#) was repealed by [D.C. Law 20-61](#), § 7322.

Section 2 of D.C. Law would have deleted “in whole or in part” following “50%” in (a)(1A)(A)(iii)(I) and (a)(1A)(B)(ii); added (a)(1B); rewritten (a)(2); added (a)(2A); added (b-1); rewritten (c), (d), (e), and (f); repealed (f-1); added (f-2); and would have rewritten (g), (h), (i), (j), and (k).

Applicability of [D.C. Law 20-105](#): Section 3 of [D.C. Law 20-105](#) provided that the act shall apply as of October 1 of the fiscal year in which it is funded and included in an approved budget and financial plan, as certified by the Chief Financial Officer to the Budget Director of the Council in a certification published in the District of Columbia Register.

Applicability of [D.C. Law 20-117](#): Section 12(b) of [D.C. Law 20-117](#) provided that § 12(a) of the act, which amended (a)(1A), shall apply to tax years beginning after September 30, 2013.

Applicability of [D.C. Law 20-117](#): Section 18 of [D.C. Law 20-117](#) provided that the act shall apply as of October 1, 2013.

Section 7014 of [D.C. Law 21-36](#) repealed [D.C. Law 20-105](#).

The codes and laws on this website are in the public domain.

ⁱ https://bniajfi.org/vital_signs/

ⁱⁱ Ibid

ⁱⁱⁱ Zillow market overviews by zip code, cross-referenced with bniajfi 2019 numbers

^{iv} See BWTRG Spreadsheet



**COST ANALYSIS FOR LIMITING PROPERTY TAX RISES (FOR 20 YEARS)
IN THE KEY FOCUS AREA AROUND THE WEST BALTIMORE MARC STATION**

INITIAL VARIABLES AND ASSUMPTIONS (2020)

	<u>Average House Price</u>	<u>Tax Rate</u>	<u># of Owner-OCC</u>	<u>Total Annual Property Tax</u>	<u>Average Rate of Change in Prices</u>	<u>KFA Tax Rise Limited To</u>
Year 0	75,000	1%	21,326	\$18,393,675	8%	2%

**YEAR-BY-YEAR SCENARIO
FOR THE KEY FOCUS AREA**

<u>Year</u>	<u>Property Values</u>	<u>Aggregate Tax Revenue Under Business As Usual</u>	<u>Aggregate Tax Revenue Under Limiting Scenario</u>	<u>Forgone Tax Revenue</u>	<u>Annual % of All FY 2020 Real Estate Tax Revenue</u>
1	\$81,000	19,865,169	18,761,549	-1,103,621	-0.13%
2	\$87,480	21,454,383	19,136,779	-2,317,603	-0.26%
3	\$94,478	23,170,733	19,519,515	-3,651,218	-0.41%
4	\$102,037	25,024,392	19,909,905	-5,114,486	-0.58%
5	\$110,200	27,026,343	20,308,103	-6,718,240	-0.76%
6	\$119,016	29,188,451	20,714,266	-8,474,185	-0.96%
7	\$128,537	31,523,527	21,128,551	-10,394,976	-1.18%
8	\$138,820	34,045,409	21,551,122	-12,494,287	-1.42%
9	\$149,925	36,769,041	21,982,144	-14,786,897	-1.68%
10	\$161,919	39,710,565	22,421,787	-17,288,778	-1.96%
11	\$174,873	42,887,410	22,870,223	-20,017,187	-2.27%
12	\$188,863	46,318,403	23,327,627	-22,990,775	-2.61%
13	\$203,972	50,023,875	23,794,180	-26,229,695	-2.97%
14	\$220,290	54,025,785	24,270,064	-29,755,721	-3.37%
15	\$237,913	58,347,848	24,755,465	-33,592,383	-3.81%
16	\$256,946	63,015,676	25,250,574	-37,765,101	-4.28%
17	\$277,501	68,056,930	25,755,586	-42,301,344	-4.79%
18	\$299,701	73,501,484	26,270,697	-47,230,787	-5.35%
19	\$323,678	79,381,603	26,796,111	-52,585,491	-5.96%
20	\$349,572	85,732,131	27,332,033	-58,400,097	-6.62%
Totals:		\$909,069,155	\$455,856,282	-\$453,212,873	

	or...	
20-Year Cost in Forgone Taxes:	-\$22,660,644 per/year	-2.57%
15-Year Cost in Forgone Taxes:	-\$14,328,670 per/year	-1.62%
10-Year Cost in Forgone Taxes:	-\$8,234,429 per/year	-0.93%

<u>Points of Reference:</u>					
Baltimore City FY 2020	Property Tax Revenue	\$882,332,000	Avg Annual Change 2004-2016-->	\$22,194,813	4.21%
Baltimore City FY 2004	Property Tax Revenue	\$527,215,000			
DC FY 2020	Property Tax Revenue	\$2,782,625,000			
DC FY 2004	Property Tax Revenue	\$947,690,000			