

**PUBLIC ROUNDTABLE ON
BILL 16-244, “WAY OF THE CROSS CHURCH OF
CHRIST REAL PROPERTY TAX EXEMPTION AND
EQUITABLE REAL PROPERTY TAX RELIEF ACT OF
2005”**

**Before the
Committee on Finance and Revenue
Council of the District of Columbia**

The Honorable Jack Evans, Chairman

**April 20, 2005, 12:00 p.m.
Room 120, John A. Wilson Building**



**Testimony of
Daniel L. Black, Jr.
Deputy Chief Financial Officer
Office of Tax and Revenue**

**Natwar M. Gandhi
Chief Financial Officer
Government of the District of Columbia**

Good morning, Chairman Evans and members of the Committee on Finance and Revenue. I am Daniel L. Black, Jr., Deputy Chief Financial Officer for the Office of Tax and Revenue. I am pleased to present testimony today on Bill 16-244, the “Way of the Cross Church of Christ Real Property Tax Exemption and Equitable Real Property Tax Relief Act of 2005.”

The purpose of this bill is to exempt from real property taxation 21 lots in square 5730 as of January 1, 2004, and to refund real property taxes that have been paid since that date. The real properties are owned by The Way of the Cross Church of Christ by deed acknowledged on April 17, 2003, and recorded on May 9, 2003. All of the real properties are located on Alabama Avenue, SE, including the parsonage. The real properties are contiguous to the parsonage, located at 2483 Alabama Avenue, SE, with an alley in the middle. The Way of the Cross Church of Christ is incorporated under the District’s Non-profit Corporations Act.

The parsonage, located on lot 0918, comprises 14,607 square feet of land and is improved. The remaining lots, which are also the subject of this exemption legislation, comprise an additional 42,633 square feet of land and are vacant.

On March 21, 2005, The Way of the Cross Church of Christ applied for a real property tax exemption. Since the application has only been on file for three weeks, OTR has not had sufficient time to determine whether a real property tax exemption may be granted administratively. We believe it is probable that an exemption would issue for the lot improved by the parsonage, although we note the vacant lots could only be tax exempt under District law if they are reasonably

required and actually used for carrying on the activities and purposes of The Way of the Cross Church of Christ. OTR recommends that consideration of this bill be deferred until we can review properly and expeditiously the application of The Way of the Cross Church of Christ for administration exemption of the property in question.

The proposed legislation would result in unbudgeted reductions in local General Fund revenue of approximately \$9,222 in FY 2005.

If the exemption application were to be granted administratively, the effective date of the exemption would be April 1, 2005: the first day of the following month from when the application was received. OTR respectfully requests that The Way of the Cross Church of Christ not be placed in a better position than an applicant that actually qualified for an administrative real property tax exemption. Therefore the legislation should be amended to only forgive taxes owing since April 1, 2005.

Thank you, Chairman Evans, for the opportunity to comment on this bill. I would be happy to answer any questions you or other councilmembers might have at this time.

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